

Minutes of the Special and Regular Meeting of February 27, 2007

One Twin Pines Lane, Belmont, California

SPECIAL MEETINGS

CLOSED SESSION - 6:45 P.M.

- A. Conference with Labor Negotiator, Jack Crist, pursuant to Government Code Section No. 54957.6: MMCEA

Attended by Councilmembers Warden (arr. 7:05 P.M.), Dickenson, Mathewson, Feierbach, City Manager Crist, City Attorney Zafferano, Police Chief Mattei, Community Development Director de Melo, and Human Resources Director Sam. Councilmember Lieberman was absent. City Clerk Cook was excused from attending.

ADJOURNMENT at this time, being 7:25 P.M.

Terri Cook

City Clerk

This meeting not tape recorded or videotaped.

REGULAR MEETING

CALL TO ORDER 7:35 P.M.

ROLL CALL

COUNCILMEMBERS PRESENT: Dickenson, Warden, Mathewson, Feierbach

COUNCILMEMBEERS ABSENT: Lieberman

Staff Present: City Manager Crist, City Attorney Zafferano, Community Development Director de Melo, Police Chief Mattei, Human Resources Director Sam, City Clerk Cook.

PLEDGE OF ALLEGIANCE

Led by City Clerk Cook.

REPORT FROM CLOSED SESSION

City Attorney Zafferano reported that there was nothing to report from tonight's closed sessions, and that the City Council took action during previous closed sessions held on other evenings on the following matters: 1) on a unanimous vote of 5-0, to approve a settlement of existing litigation in the matter of Reece vs. City of Belmont; 2) on a unanimous vote of 5-0, to approve a separation agreement and release from employment for Thomas Schmidt; 3) on a vote of 3-1, with Mayor Feierbach absent, Councilmember Dickenson voting no, to approve a separation agreement and release from employment for James Smith.

SPECIAL PRESENTATIONS

Proclamation to Outgoing Parks and Recreation Commissioner Aimee Swanson

Mayor Feierbach presented the Proclamation to Ms. Swanson, who stated that it was an honor and a pleasure to have served, and that it gave her an opportunity to become a part of the community, which has led to other ways for her to be involved.

Swearing in of Community Services Officers Evan Branch and Brian Weddell, and Deputy City Clerk Aguilar

Police Lieutenant DeSmidt introduced the department's two newest Community Service Officers (CSO): Brian Weddell and Evan Branch. He noted that Mr. Weddell was a volunteer reserve officer for eleven years, became a CSO, was laid off during budget cuts, and recently returned to full-time duty. Police Chief Mattei pinned his badge. Lieutenant DeSmidt noted that Evan Branch grew up in Belmont. Mr. Branch's mother pinned his badge.

City Clerk Cook introduced the new Deputy City Clerk, Pam Aguilar. She noted that Ms. Aguilar's background was as deputy court clerk for the court system, and most recently for the California Court of Appeals in San Francisco.

City Clerk Cook administered the Oath of Office to all three employees.

PUBLIC COMMENTS AND ANNOUNCEMENTS

Shaun Brennan, Belmont resident, stated that he received a letter from staff following his appearance at the previous Council meeting regarding the parking in front of CarlmontHigh School. He requested information on how staff decided this situation is safe, as well as the legal citation which requires the City to provide schools with free parking. He noted that another city did not fix something that was wrong, and an accident happened.

Mayor Feierbach explained that the parking in question was reconfigured in order to alleviate the parking in the neighborhood by Carlmont students.

Edward Trenholme, Belmont resident, expressed concerns that professional dog sitters were using the DogPark at Cipriani Park. He noted that they sometimes bring a large number of dogs from out of the area. He has had to call the police due to conflicts with others using the park. He noted that other cities limit the number of dogs per visitor at their dog parks.

Councilmember Warden stated that he would support a future ordinance amendment to limit the number of dogs permitted.

COUNCIL MEMBER COMMENTS AND ANNOUNCEMENTS

Councilmember Warden announced that the proposed smoking ordinance would be discussed at the next Council meeting to be held on March 13, 2007.

AGENDA AMENDMENTS

Mayor Feierbach stated that absent Councilmember Lieberman had contacted her and requested that as a result of correspondence received subsequent to the posting of the agenda, he would like to remove from the agenda Item 4-C (Resolution Supporting Virgin America in its Attempt to Receive Regulatory Approval from the Federal Aviation Administration), and reschedule this item to a future meeting. Council concurred.

CONSENT CALENDAR

Approval of Resolution 9860 Regarding California Health and Safety Code Section 1500-1567 as it Relates to Community Care Facilities.

Approval of Resolution 9861 Approving the Summary Vacation of a Portion of a 7-Foot Public Utility Easement Over and Across a Portion of Lots 11 & 12, Block 21, Town of Beresford, Subdivision No. 2, also known as 325 Old County Road (APN 040-261-350 & 040-261-360).

Approval of Resolution 9862 Requesting the South Bay Waste Management Authority to Re-structure the Board Membership to Allow for Elected Officials to Represent Agency Members.

Approval of Resolution 9863 Authorizing Reclassification of City Manager Administrative Assistant to Executive Assistant to the City Manager and Proposed New Salary Range.

ACTION: On a motion by Councilmember Warden, seconded by Councilmember Dickenson, the Consent Calendar was unanimously approved, as amended, by a show of hands (4-0-1, Lieberman absent).

OLD BUSINESS

Discussion and Direction of Solid Waste Collection Issues

Public Works Director Davis reviewed the upcoming milestone dates related to the franchise agreement with Allied Waste. He noted that South Bayside Waste Management Authority (SBWMA) oversees many provisions of the agreement, including the evaluation of Allied Waste. Belmont's targeted diversion rate is 50 percent, and it currently is diverting 59 percent, thereby exceeding the target. He reviewed the provisions for liquidated damages for Allied Waste's nonperformance issues. Belmont's customer service rate by Allied was judged to be 60 percent, which is 20 percent below the target. Liquidated damages have been assessed. Allied is working to improve service. Belmont's trash rates fall into the 75th percentile. He noted that Belmont can withdraw from the Joint Powers Authority, but the requirements and the criteria set by SBWMA would still need to be met by any new collection service provider.

Kevin McCarthy, SBWMA, provided a brief background of his experience. He noted that Allied Waste has recently hired new staff and is doing a better job with solid waste collection. He stated that a recent restructuring at SBWMA, including the addition of a new General Manager, has resulted in its no longer being under the authority of the City of San Carlos. It has more staff and fewer consulting contracts, and will be issuing requests for proposals and requests for quotes for several of the larger contracts which were previously managed under no-bid contracts. SBWMA has now created two separate collection districts for service bids, north and south, which will result in competitive bids and service improvements and innovation

Mr. McCarthy also noted that the Shoreway facility was purchased in 1999, but has maintained very little oversight, and has acted more in the capacity of an absentee landlord. A facility manager has recently been hired. Mr. McCarthy has offered to be more proactive with the community to address its needs regarding solid waste issues.

Public Works Director Davis noted that staff has been interviewing consultants to assist the City with determining the best course of action regarding solid waste collection for Belmont. Direction from the Council is needed regarding a parallel process with SBWMA regarding a new franchise agreement, in order to provide maximum flexibility.

In response to Council questions, Mr. McCarthy noted that Allied Waste has experienced performance shortfalls and has not reported its performance as required by the agreement. This has resulted in liquidated damages of \$135,000. Allied will now be reporting monthly, as required. The name of the transfer station will be changed to "Shoreway Facility", and facility improvements will be under way soon. The City of San Carlos continues to provide legal and financial services, but these services will likely be brought in-house in the future.

Discussion ensued regarding complaint calls. Mr. McCarthy noted that the current franchise agreement contains no provisions for liquidated damages for call center problems, which is a shortfall to be addressed in a new franchise agreement. He noted that Allied has made a commitment to change this service through its new management.

Councilmember Warden stated that his primary concern was for SBWMA to be able to ascertain if service complaints were being logged properly at Allied Waste. A random monitoring system should be put in place. There is a need for accountability, since the City Council is receiving complaints.

Mr. McCarthy noted that the new staff at Allied waste has a positive attitude about improving customer service, and that it desires accountability.

Council concurred to support a future resolution authorizing a parallel process for review of solid waste services. Public Works Director Davis stated that this would be brought back at a subsequent meeting.

Status on Performance of Ordinance Regarding the Regulation, Keeping, and Maintaining of Pygmy Goats on Private Property

Community Development Director de Melo stated that this was an 18-month review of the ordinance regulating pygmy goats in Belmont. Only one request has been made, and one permit issued, for the keeping of pygmy goats. No complaints have been received, although one inquiry was received regarding the pygmy goat owner. Staff advised that the owner had a valid permit. A site visit was made recently, and all seemed to be in order.

Council concurred that no further review is needed on this matter.

NEW BUSINESS

Report on Mid-Year Financial Results

Finance Director Fil reviewed the mid-year fiscal status for Belmont. He reviewed revenues and the state of the local and State economy. He described the issues surrounding revenues for the Belmont Fire Protection District, including the failure of the property-owner assessment in November. He outlined GASB 45 regulations as it relates to the booking of employee pension obligations. He noted that Belmont has experienced a slight increase in revenues, especially transit occupancy taxes (TOT). Belmont is below average in the region for sales tax per capita. He reviewed the 18-month growth comparison.

Assistant Finance Director Cheung reviewed the mid-year budget adjustments, including cleanup items. Finance Director Fil noted that the Recreation Services Fund is on target and is in the black for the first time in several years. One Parks and Recreation staff member will increase from three-quarters time to full time as a result of a mid-year adjustment. The Development Services Fund has also improved.

Future issues to be addressed include: 1) GASB 45 actuarial study less than anticipated; 2) the Capital Improvement Program budget will require a major revision due to the pending economic development implementation; 3) future report on a proposed community facilities district which would impose taxes on in-fill projects.

Fiscal Year 2008 Strategic Planning

Finance Director Fil reviewed City of Belmont demographics and office vacancy rates. He outlined revenues and expenditures, and noted that modest growth has been projected. He described trends in property tax growth, and provided a breakdown of sales tax by generator. Hotel occupancy is up, as are daily rates. Revenue from Vehicle License Fees has increased, but revenues from the gas tax is an issue. He reviewed the expenditure forecasts that will be used in the development of the 2008 Budget. He briefly outlined the Capital Improvement Plan, including equipment replacement.

Finance Director Fil stated that State funding in 2008 will remain unchanged from the current fiscal year, although Belmont should receive funding from the infrastructure bonds that were approved in November. The Street Fund has been disrupted by suspension of monies from the State. Belmont's fiscal policies will continue. The Council should consider raising the reserve level above the current \$2 million minimum. Staff has forecast a five-year balanced budget, and recommends continuing with the previous budget correction strategies, with some minor modification. The Finance Commission will be reviewing the impact of GASB 45 regulations. Negotiations with two labor groups have just begun. Belmont is facing an issue regarding funding for infrastructure needs (streets and the sewer facility), which will need further discussion. He reviewed the Budget Calendar.

Discussion ensued regarding economic trends and the impact of staff turnover.

City Manager Crist discussed the policy issue regarding the parallel process under way for solid waste collection for Belmont. Staff recommends using a consultant to help in this process. Several organizational issues need input from the Council, including Parks and Recreation, Code Enforcement, Police Services, Finance, Information Technology, and Community Development. He would like to accomplish this in the context of the 2008 Budget process.

Finance Director Fil noted that there may a potential requirement for cities to use performance budgeting in the context of the implementation of GASB 45. Staff proposes suspending this program

budgeting until further direction on this. City Manager Crist noted that departments are still accountable for their performance, but this suspension will eliminate the unnecessary paperwork on performance budgeting.

Councilmember Warden expressed concern regarding eliminating performance budgeting, which took considerable time and effort to implement. He would like to see evidence that it is only “make work” work. He would also like information regarding which data collection could be continued because the results are a benefit, and he would like to know what was learned through the process.

Finance Director Fil responded that some positive results have come out of performance budgeting, and the mission and objectives are still valid. The concern is continuing the current process without further direction from the State. He will have the Finance Commission review this topic.

Councilmember Mathewson stated that performance budgeting measurables are still valid, accounts have been adjusted as a result of the process, and line items have been better identified.

Terri Cook

City Clerk

Meeting Tape Recorded and Videotaped
Audio Recording 659